

## HUNTON & WILLIAMS

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Jeffrey J. Wall

File No.: 47396.4  
Direct Dial: 423 549-7710

May 8, 1997

RECORDATION NO. 18718-E

FILED

MAY 12 '97

3:17 PM

MAY 12 3 17 PM '97

RECEIVED  
SURFACE TRANSPORTATION  
BOARD

Hon. Vernon A. Williams  
Secretary  
Interstate Commerce Commission  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, DC 20006

Dear Secretary Williams:

Please find enclosed an original and one certified duplicate of the Amended and Restated Security Agreement dated April 29, 1997 for recordation with the Surface Transportation Board pursuant to 49 CFR § 1177. As required, a notarized certificate stating the authenticity of the duplicate also is enclosed.

The enclosed Amended and Restated Security Agreement is a secondary document. The primary document to which this document is connected is recorded under Recordation No. 18718, a Security Agreement, on February 24, 1994. Other secondary documents to which the enclosed relates are: (a) an Amended and Restated Security Agreement dated May 16, 1995 and recorded under Recordation No. 18718A on May 17, 1995, (b) an Amended and Restated Security Agreement dated September 15, 1995 and recorded under Recordation No. 18718B on September 27, 1995, (c) an Amended and Restated Security Agreement dated December 15, 1995 and recorded under Recordation No. 18718C on May 16, 1996 and (d) an Amended and Restated Security Agreement dated September 24, 1996 and recorded under Recordation No. 18718D on September 30, 1996.

The names and addresses of the parties to the enclosed document are as follows: Grantor railroad companies: Gulf & Ohio Railways, Inc., Wiregrass Central Railroad Company, Inc., Piedmont & Atlantic Railroad Co., Inc., Rocky Mount & Western Railroad Co., Inc., Albany Bridge Company, Inc., Georgia & Florida Railroad Co., Inc., Lexington & Ohio Railroad Co., Inc., Live Oak, Perry & Georgia Railroad Company, Inc., for which all correspondence should be directed in c/o Gulf & Ohio Railways, Inc., 401 Henley Street, Suite 5, Knoxville, TN 37902, and the Grantee Bank; NationsBank of Tennessee, N.A., 550 Main Avenue, Knoxville, TN. 37902.

HUNTON & WILLIAMS

Hon. Vernon A. Williams

May 8, 1996

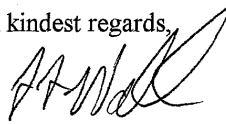
Page 2

A description of the railroad locomotives and railcars covered by the enclosed appears in Exhibit A to the document.

This firm's check for \$ 24.00 in payment of the required fee is also enclosed. **Please return the original (as recorded) to the undersigned.**

A short summary of the document to appear in the index follows: Amended and Restated Security Agreement dated April 29, 1997, amending the Amended and Restated Security Agreement dated September 24, 1996 with Recordation No. 18718E, covering the locomotives and railcars described in Exhibit A to the attached document.

With kindest regards,



Jeffrey J. Wall

7702/1662

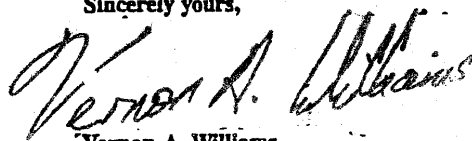
5/12/97

Jeffrey J. Wall  
Hunton & Williams  
P. O. Box 951  
Knoxville, Tennessee 37901

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/12/97 at 3:17PM, and assigned recordation number(s). 18718-E.

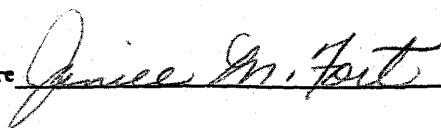
Sincerely yours,

  
Vernon A. Williams  
Secretary

Enclosure(s)

\$ 24.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



**Certificate of Authenticity**

I, Charlotte Gamble, being duly sworn as a Notary at Large in the State of Tennessee certify on this 8<sup>th</sup> day of May, 1997 that the foregoing document is a true and exact copy of the original Amended and Restated Security Agreement dated April 29, 1997. Pursuant to 49 CFR § 1177.3, I have compared the copy with the original and have found the copy to be complete and identical in all respects to the original document.

Charlotte Gamble

Signature of Notary Public

SEAL

My commission expires: My commission expires Nov. 29, 1997

RECORDATION NO. 1878-E

FILED

MAY 12 '97

3-17PM

## AMENDED AND RESTATED SECURITY AGREEMENT

AMENDED AND RESTATED SECURITY AGREEMENT (this "Security Agreement"), dated as of April 29, 1997, made by GULF & OHIO RAILWAYS, INC., a Tennessee corporation ("G&O"); WIREGRASS CENTRAL RAILROAD COMPANY, INC., an Alabama corporation ("Wiregrass"); PIEDMONT & ATLANTIC RAILROAD CO., INC., a Tennessee corporation ("P&A"); ROCKY MOUNT & WESTERN RAILROAD CO., INC., a Tennessee corporation ("RMWR"); ALBANY BRIDGE COMPANY, INC., a Georgia corporation ("Albany"); GEORGIA & FLORIDA RAILROAD CO., INC., a Georgia corporation ("GFRR"); LIVE OAK, PERRY & GEORGIA RAILROAD COMPANY, INC., a Tennessee corporation ("Live Oak"); and LEXINGTON & OHIO RAILROAD CO., INC., a Tennessee corporation ("LORR") (hereinafter G&O, Wiregrass, P&A, RMWR, Albany and GFRR are referred to collectively as the "Original Grantors" and the Original Grantors, together with Live Oak and LORR, are referred to collectively as the "Grantors") to NATIONSBANK OF TENNESSEE, N.A., a national banking association (the "Bank"), pursuant to the terms of (i) the Amended and Restated Credit Agreement dated as of September 24, 1996 by and among the Grantors, the Bank and H. Peter Claussen and wife, Linda C. Claussen, Tennessee residents (collectively, the "Individual Borrowers") (hereinafter, as the same may from time to time be amended, supplemented or otherwise modified, the "Credit Agreement", and except as otherwise may be defined herein, all capitalized terms herein shall have the meanings set forth in the Credit Agreement) and (ii) the 1997 Equipment Term Promissory Note dated the date hereof made by G&O payable to the Bank in the original principal amount of \$925,000 (as the same may from time to time be amended, supplemented or otherwise modified, the "1997 Equipment Note") :

W I T N E S S E T H :

WHEREAS, pursuant to the terms of the Original Loan Agreement, the Bank agreed to make (a) the Original 1994 Acquisition Loan in the original principal amount of \$5,100,000, evidenced by the Original 1994 Acquisition Note, (b) the Original Revolving Credit Facility in the original principal amount of \$500,000, evidenced by the Original Revolving Credit Note and (c) the Original 1995 Equipment Loan in the original principal amount of \$750,000, evidenced by the Original 1995 Equipment Note, for the purposes described in the Original Loan Agreement (hereinafter the Original 1994 Acquisition Loan, the Original Revolving Credit Facility and the Original 1995 Equipment Loan are referred to collectively as the "First Loans", and the Original 1994 Acquisition Note, the Original Revolving Credit

Note and the Original 1995 Equipment Note are referred to collectively as the "First Notes"); and

WHEREAS, pursuant to the terms of the 1995 Loan Agreement, the Bank agreed to (a) amend and restate the First Loans (the First Loans, as amended and restated, the "Amended First Loans"), and (b) make a new acquisition term loan to the Individual Borrowers in the original principal amount of up to \$2,400,000 (the "1995 Acquisition Loan") for the purpose of funding (i) additional locomotive acquisitions and repair and overhaul costs related thereto and (ii) the acquisition of certain railroad properties located in Georgia and Florida to be operated by Live Oak (hereinafter the Amended First Loans and the 1995 Acquisition Loan are referred to collectively as the "First Original Loans"); and

WHEREAS, the 1995 Acquisition Loan is evidenced by the 1995 Acquisition Note (hereinafter the First Notes (as amended and restated pursuant to the terms of the 1995 Loan Agreement) and the 1995 Acquisition Note are referred to collectively as the "First Original Notes"); and

WHEREAS, pursuant to the terms of the 1995 Loan Agreement, the Grantors have benefited from the making of the First Original Loans because the Individual Borrowers used the proceeds of the First Original Loans to make loans to the Grantors under substantially similar terms as the First Original Loans; and

WHEREAS, pursuant to the terms of the Credit Agreement, the Bank agreed to (i) continue funding the First Original Loans, excepting the Original Revolving Credit Facility which was amended and restated in the maximum principal amount of \$1,000,000 (the "Revolving Credit Facility") and (ii) make (A) a new equipment loan to G&O in the original principal amount of up to \$2,525,000 for the purposes set forth in the Credit Agreement (the "1996 Equipment Loan") and (B) a new capital project loan to the Individual Borrowers in the original principal amount of up to \$727,000 for the purposes set forth in the Credit Agreement (the "1996 Capital Project Loan") (hereinafter, the First Original Loans, and including the Revolving Credit Facility and the 1996 Capital Project Loan, are referred to collectively as the "Claussen Loans," and the Claussen Loans and the 1996 Equipment Loan are referred to collectively as the "Credit Agreement Loans"); and

WHEREAS, the 1996 Equipment Loan was assigned to and assumed by GFRR pursuant to the terms of an Assignment and Assumption Agreement dated as of September 24, 1996 (the "1996 Equipment Loan Assignment")

WHEREAS, the Revolving Credit Facility is evidenced by the Revolving Credit Note; the 1996 Equipment Loan is evidenced by the 1996 Equipment Note; and the 1996 Capital Project Loan is

evidenced by the 1996 Capital Project Note (hereinafter, the First Original Notes (as such may have been previously amended, restated or modified), the 1996 Equipment Note (as assumed by GFRR) and the 1996 Capital Project Note are referred to collectively as the "Credit Agreement Notes"); and

WHEREAS, pursuant to the terms of the Credit Agreement (i) the Grantors have benefited from the making of the Claussen Loans because the Individual Borrowers have used the proceeds of the Claussen Loans to make loans to the Grantors under substantially similar terms as the Claussen Loans and (ii) GFRR (as successor by assignment from G&O pursuant to the 1996 Equipment Loan Assignment) has benefited from the making to it of the 1996 Equipment Loan; and

WHEREAS, pursuant to the terms of the 1997 Equipment Note, the Bank has agreed to lend to G&O \$925,000 for the purpose of providing financing to G&O for its acquisition of additional railroad rolling stock; and

WHEREAS, the Bank is willing to (i) continue funding the Credit Agreement Loans and (ii) make the 1997 Equipment Loan but only upon the condition, among others, that the Grantors shall have executed and delivered to the Bank this Security Agreement; and

WHEREAS, the Credit Agreement Loans and the 1997 Equipment Loan are hereinafter referred to collectively as the "Loans", and the Credit Agreement Notes and the 1997 Equipment Note are hereinafter referred to collectively as the "Notes"; and

WHEREAS, this Security Agreement amends and restates the Amended and Restated Security Agreement dated as of September 24, 1996 by and among the Grantors and the Bank.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. The following terms shall have the following meanings, unless the context otherwise requires (such meanings to be equally applicable to the singular and plural):

"Accounts": any "Account", as such term is defined in Section 9-106 of the Code.

"Account Debtor": the party who is obligated on an Account.

"Chattel Paper": "chattel paper" as such term is defined in Section 9-105 of the Code.

"Code": the Uniform Commercial Code as the same may from time to time be in effect in the State of Tennessee.

"Collateral": the meaning assigned to it in Section 2 of this Security Agreement.

"Contracts": all contracts, instruments, undertakings, documents or other agreements in or under which any Grantor may now or hereafter have any right, title or interest.

"Documents": any "documents", as such term is defined in Section 9-105 of the Code.

"Equipment": any "equipment", as such term is defined in Section 9-109(2) of the Code, including, without limitation, the railroad rolling stock described on Exhibit A attached hereto and incorporated herein by reference.

"Event of Default": any of the events specified in Section 9 of this Security Agreement.

"Fixtures": all goods that are or become "fixtures" as defined in Section 9-313(1)(a) of the Code, located on the real property more particularly described in the Deeds of Trust.

"General Intangibles": any "general intangibles", as such term is defined in Section 9-106 of the Code.

"Instrument": any "instrument" as such term is defined in Section 9-105 of the Code.

"Inventory": any "inventory", as such term is defined in Section 9-109(4) of the Code.

"Loan Documents" means collectively the Credit Agreement, the Notes, the Guaranty Agreements (as defined in the Credit Agreement), the Intercreditor Agreement (as defined in the Credit Agreement), the Deeds of Trust (as defined in the Credit Agreement), the Security Agreement (as defined in the Credit Agreement), the Pledge Agreement (as defined in the Credit Agreement), the Note Pledge Agreement (as defined in the Credit Agreement), the 1996 Equipment Loan Assignment and any other document now or hereafter executed or delivered in connection with the Credit Agreement, the Notes or the Obligations, including, without limitation, any pledge agreement, security agreement, financing statement, deed of trust, mortgage, promissory note, assignment, escrow or subordination agreement, certificates, indemnity or other agreement (including any renewals, extensions and refundings thereof and any modifications, supplements and amendments thereto and substitutions therefor), each of which shall be in form and substance satisfactory to the Bank.

"Obligations" means all indebtedness, liabilities and Obligations of the Grantors or the Individual Borrowers, whether now existing or hereafter arising, direct or indirect, fixed or contingent, secured or unsecured, matured or unmatured, joint, several or joint and several, arising out of or in connection with the Credit Agreement, the Notes or any other Loan Document.



"Proceeds": "Proceeds", as such term is defined in Section 9-306 of the Code.

"Security Agreement": this Amended and Restated Security Agreement, as the same may be further amended, restated, supplemented or otherwise modified from time to time.

Section 2. Grant of Security Interest. Subject to Section 17 herein, as collateral security for the prompt and complete payment and performance when due of all the Obligations and in order to induce the Bank to continue to fund the Credit Agreement Loans and make the 1997 Equipment Loan, each of the Grantors hereby sells, assigns, conveys, mortgages, pledges, hypothecates and transfers to the Bank, a security interest in, all such Grantor's rights, titles and interests in, to and under the following, whether now existing or hereafter acquired (all of which being hereinafter collectively called the "Collateral"):

- (i) all Accounts and General Intangibles;
- (ii) all Equipment and Fixtures;
- (iii) all Inventory;
- (iv) all other personal property of each such Grantor, including, without limitation, all rolling stock, locomotives, railcars, boxcars, hopper cars and all machinery, tools, implements and other railroad related appliances, apparatus and facilities, material and supplies used in connection with or pertaining to any railroad lines operated by each such Grantor, including, without limitation, all (A) such property described in the Deeds of Trust and (B) the rolling stock, boxcars and locomotives listed on Exhibit A attached hereto;
- (v) all Documents, Instruments and Chattel Paper;
- (vi) all leases, rental contracts, rents and income from all that certain property described in the Deeds of Trust;
- (vii) all of each such Grantor's books of account, records, ledger sheets and documents relating to the foregoing; and
- (viii) to the extent not otherwise included, all Proceeds and products of any or all of the foregoing (hereinafter, the items listed in (ii), (iii), (iv), (v) and (vii) above are referred to collectively sometimes as the "Personal Property").

Section 3. Rights of the Bank; Limitations on Bank's Obligations; Sales and Collections.

(a) If required by the Bank at any time after the occurrence of an Event of Default, any Proceeds, when collected by any Grantor, shall be promptly deposited by such Grantor in precisely the form received, except for its endorsement when required, in a special bank account maintained by the Bank (the "Collateral Account"), subject to withdrawal by the Bank only, as hereinafter provided, and until so turned over, shall be deemed to be held in trust by such Grantor for and as the Bank's property and shall not be commingled with such Grantor's other funds. Such Proceeds, when deposited, shall continue to be collateral security for all of the Obligations and shall not constitute payment thereof until applied as hereinafter provided. If an Event of Default shall have occurred and be continuing, the Bank shall, at such intervals as it shall determine, apply all or any part of the funds on deposit in the Collateral Account on account of the principal of and/or interest on any of the Obligations, the order and method of such application to be in the discretion of the Bank and any part of such funds which the Bank elects not so to apply and deems not required as collateral security for the Obligations shall be paid over from time to time by the Bank to the applicable Grantor. If an Event of Default shall not be continuing, funds deposited in the Collateral Account from any particular Grantor shall be released immediately to such Grantor.

(b) The Bank may at any time notify Account Debtors that the Accounts have been assigned to the Bank and, upon an Event of Default, that payments shall be made directly to the Bank. Copies of such notification shall be delivered promptly to the applicable Grantor by the Bank. Upon the request of the Bank at any time, each Grantor will so notify its Account Debtors. Further, the Bank may in its own name or in the name of others communicate with such Account Debtors in order to verify with them to the Bank's satisfaction the existence, amount and terms of any Accounts.

(c) The Bank shall have the right to make test verifications of the Accounts in any reasonable manner and through any medium it considers advisable no more than twice per year, except in the event of an Event of Default hereunder, in which case the Bank's right to make test verifications of the Accounts shall not be limited in any respect. Each of the Grantors agrees to furnish all such assistance and information as the Bank may require in connection therewith. Each of the Grantors at its expense will cause independent public accountants reasonably satisfactory to the Bank to furnish promptly to the Bank from time to time according to the first sentence in this subparagraph (c), the following reports: (i) reconciliation of

all Accounts, (ii) an aging of all Accounts, (iii) trial balances, and (iv) a test verification of such Accounts as the Bank may request.

Section 4. Representations and Warranties. Each Grantor hereby represents and warrants that:

(a) This Security Agreement constitutes a valid obligation of such Grantor, legally binding upon it and enforceable in accordance with its terms. No consent of any other party (including, without limitation, shareholders and creditors of such Grantor) and no consent, license, approval or authorization of, or registration or declaration with, any Governmental Authority, except for (a) filings of UCC-1 and UCC-3 Financing Statements in the appropriate filing offices, (b) compliance with applicable certificate laws with respect to motor vehicles and (c) filing of this Security Agreement with the STB in accordance with applicable law, rules or regulations, is required in connection with the execution, delivery, performance, validity or enforceability of this Security Agreement with respect to Collateral in existence on the date hereof.

(b) Except for the security interest granted to the Bank pursuant to this Security Agreement, the Grantors are (or, in the case of after-acquired property, will be) the owners of the Collateral, having good and marketable title thereto, free and clear of any and all Liens except for Permitted Liens.

(c) No security agreement, financing statement, equivalent security or lien instrument or continuation statement covering all or any part of the Collateral is on file or of record in any public office, except such as may have been filed by the Grantor in favor of the Bank pursuant to this Security Agreement or any other Loan Document.

(d) This Security Agreement creates a valid and continuing Lien on the Collateral, and once (i) this Security Agreement is filed with the STB and (ii) all UCC Financing Statements referred to herein are filed in the proper UCC filing offices, this Security Agreement will evidence a perfected security interest in the Collateral in which a security interest can be perfected by the filing of UCC Financing Statements, in favor of the Bank, which Lien and security interest will be prior to all other Liens, encumbrances, security interests and rights of others (except for Permitted Liens) once such UCC Financing Statements referred to above are filed. The Lien of this Security Agreement is enforceable as such as against creditors of and purchasers from such Grantor. All action necessary or desirable to protect and perfect such security interest in each item of the Collateral has been duly taken, or, concurrently with the execution and

filing of this Security Agreement and applicable UCC Financing Statements, will have been duly taken.

(e) The Grantors' principal places of business and chief executive offices and the places where their records concerning the Collateral are kept are described on Exhibit B attached hereto, and the Grantors will not change such principal places of business or remove such records without the express prior written consent of the Bank.

(f) The amount represented by any Grantor to the Bank from time to time as owing by each Account Debtor or by all Account Debtors in respect of the Accounts will at such time be, to the best of such Grantor's knowledge, the correct amount actually and unconditionally owing by such Account Debtors to such Grantor thereunder.

(g) The only names under which the Collateral is owned, used or sold are the names of the Grantors as described in Exhibit C to this Security Agreement.

(h) Each Exhibit or Schedule hereto contains true and complete information with respect to the subject matter covered thereby.

(i) Each of the Grantors except Albany is a "transmitting utility" as defined in Article 9 of the Uniform Commercial Code as adopted in each state in which it operates except for the states of North Carolina and Georgia.

Section 5. Covenants. The Grantors covenant and agree with the Bank that from and after the date of this Security Agreement and until the Obligations are fully satisfied:

(a) Further Documentation; Pledge of Instruments. From time to time, upon the reasonable written request of the Bank, and at the sole expense of the Grantors, the Grantors will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as the Bank may reasonably deem desirable in obtaining the full benefits of this Security Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction with respect to the Liens and security interests granted hereby, conveying the Grantors' interests in the Collateral to the Bank and using their best efforts to obtain waivers from landlords and mortgagees. The Grantors also hereby authorize the Bank to file any such financing or continuation statement without the signature of such Grantors to the extent permitted by applicable law.

(b) Maintenance of Records. The Grantors will keep and maintain at their own cost and expense satisfactory and complete records of the Collateral including, without limitation, a record of all payments received and all credits granted with respect to the Collateral and all other dealings with the Collateral. The Grantors will mark their books and records pertaining to the Collateral to evidence this Security Agreement and the security interests granted hereby. For the Bank's further security, the Grantors agree that the Bank shall have a special property interest in all of such Grantors' books and records pertaining to the Collateral, and the Grantors shall make available to the Bank or its representatives such books and records at any time on reasonable demand of the Bank.

(c) Indemnification. In any suit, proceedings or action brought by the Bank relating to the Collateral, the Grantors will jointly and severally save, indemnify and keep the Bank harmless from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim, recoupment or reduction of liability whatsoever of the obligor thereunder, arising out of a breach by any Grantor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such obligor or its successors from any Grantor, and all such obligations of any Grantor shall be and remain enforceable against and only against such Grantor(s) and shall not be enforceable against the Bank.

(d) Compliance with Laws, etc. The Grantors will comply, in all material respects, with all acts, rules, regulations, orders, decrees and directions of any Governmental Authority or any court applicable to the Collateral or any part thereof or to the operation of the Grantors' businesses.

(e) Payment of Obligations. The Grantors will pay promptly when due, all taxes, assessments and governmental charges or levies imposed upon the Collateral or in respect of the income or profits therefrom, as well as all claims of any kind (including claims for labor, materials and supplies), except that no such charge need be paid if (i) the validity thereof is being contested in good faith (ii) such proceedings or negotiations do not involve any danger of the sale, forfeiture or loss of any of the Collateral or any interest therein and (iii) such charge is adequately reserved against on the books of such Grantor(s) in accordance with Generally Accepted Accounting Principles.

(f) Limitation on Liens on Collateral. Except as may otherwise be provided in the Credit Agreement, the Grantors will not create, permit or suffer to exist, and will defend the Collateral against and take such other action as is necessary to remove, any Lien on the Collateral except Permitted Liens and will defend the right, title and interest of the Bank in and to

any of the Grantors' rights to the Collateral and in and to the Proceeds and products thereof against the claims and demands of all Persons whomsoever.

(g) Limitations on Modifications of Material Contracts, Licenses, Accounts; No Waivers; Extensions. Except as may otherwise be provided in the Credit Agreement and except as in the ordinary course of business, the Grantors will not (i) amend, modify, terminate or waive any provision of any material contract or license in any manner which might materially adversely affect the value of such contract or license as Collateral, (ii) fail to exercise promptly and diligently each and every material right which it may have under each material contract and license (other than any right of termination) or (iii) fail to deliver to the Bank a copy of each material demand, notice or document received by it relating in any way to any material contract or license. Except as may otherwise be provided in the Credit Agreement, the Grantors will not, without the Bank's prior written consent, grant any extension of the time of payment of any of the Accounts or any amounts due under any material contract or license, compromise, compound or settle the same for less than the full amount thereof, release, wholly or partly, any person liable for the payment thereof, or allow any credit or discount whatsoever thereon other than trade discounts granted in the normal course of business.

(h) Maintenance of Insurance. The Grantors will maintain with financially sound and reputable companies, insurance policies (i) insuring the Personal Property of the Grantors (excepting rolling stock, locomotives, boxcars, hopper cars or other railcars) against loss by fire, explosion, theft and such other casualties as are usually insured against by companies engaged in the same or similar businesses and (ii) insuring the Grantors against liability for personal injury and property damage relating to the use, operation or maintenance of such Personal Property of the Grantors, such policies to be in such form and in such amounts and coverage as may be reasonably satisfactory to the Bank, with losses payable to the Grantors and the Bank as their respective interests may appear. The Grantors shall, if so requested by the Bank, deliver to the Bank as often as the Bank may reasonably request a report of a reputable insurance broker with respect to the insurance on the Personal Property. All insurance with respect to the Personal Property shall (i) provide that no cancellation, reduction in amount or change in coverage thereof shall be effective until at least 10 days after receipt by the Bank of written notice thereof, and (ii) be reasonably satisfactory in all material respects to the Bank.

(i) Limitations on Dispositions of Collateral. The Grantors will not sell, transfer, lease or otherwise dispose of

any of the Collateral, or attempt, offer or contract to do so except to the extent, if any, permitted by the terms of the Credit Agreement or this Security Agreement.

(j) Further Identification of Collateral. The Grantors will furnish to the Bank from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Bank may reasonably request pursuant to the terms of the Credit Agreement or this Security Agreement, and all in reasonable detail.

(k) Notices. Except as may otherwise be provided in the Credit Agreement or the Deeds of Trust, the Grantors will advise the Bank promptly, in reasonable detail, (i) of any Lien asserted or claim made against any of the Collateral securing Indebtedness in excess of \$50,000, (ii) of any material change in the composition of the Collateral, and (iii) of the occurrence of any other event which would have a Material Adverse Effect.

(l) Right of Inspection. Upon prior notice to the Grantors, the Bank shall at all times have full and free access during normal business hours to all the books, correspondence and records of the Grantors, and the Bank or its representatives may examine the same, take extracts therefrom and make photographs or photocopies thereof, and the Grantors agree to render to the Bank, at the Grantors' cost and expense, such clerical and other assistance as may be reasonably requested with regard thereto. The Bank and its representatives shall at all times also have the right to enter into and upon any premises where any of the Personal Property is located for the purpose of inspecting the same, observing its use or otherwise protecting its interests therein.

(m) Maintenance of Personal Property. The Grantors will keep and maintain each item of Personal Property in good operating condition, ordinary wear and tear excepted, and the Grantors will provide all maintenance and service and all repairs necessary for such purpose.

(n) Continuous Perfection. The Grantors will not change their respective names, identities or corporate structures in any manner which might make any financing or continuation statement filed hereunder, or previously filed in favor of the Bank, seriously misleading within the meaning of Section 9-402(7) of the Code (or any other then applicable provision of the Code) unless the applicable Grantor shall have given the Bank at least 60 days' prior written notice thereof or shall have delivered to the Bank acknowledgment copies of UCC-3 financing statements duly executed and duly filed in each jurisdiction in which UCC-1 filings were and are required in order to perfect the security

interest granted by this Security Agreement or the Deeds of Trust in the Collateral and shall have taken all action (or made arrangements to take such action substantially simultaneously with such change if it is impossible to take such action in advance) necessary or reasonably requested by the Bank to amend such financing statement or continuation statement so that it is not seriously misleading.

Section 6. Bank's Appointment as Attorney-in-Fact.

(a) The Grantors hereby irrevocably constitute and appoint the Bank and any officer or agent thereof, with full power of substitution, as their true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of each Grantor and in the name of each Grantor or in its own name, from time to time in the Bank's discretion, for the purpose of carrying out the terms of this Security Agreement, including, but not limited to, (i) furnishing documents or information about the Loans to any potential purchaser of the Collateral (such authorization provided by the Grantors for the purposes of complying with Tenn. Code Ann. § 45-10-103, and all amendments thereof), and (ii) taking any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Security Agreement, provided, however, that this right will become effective only upon the occurrence of an Event of Default. This power of attorney is a power coupled with an interest and shall be irrevocable.

(b) The powers conferred on the Bank hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. The Bank shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to the Grantors for any act or failure to act, except for the Bank's own gross negligence, willful misconduct or unlawful act.

Section 7. Performance by Bank of Grantors' Obligations.

If the Grantors fail to perform or comply with any of their agreements contained herein or in any other Loan Document and the Bank, as provided for by the terms of this Security Agreement or such other Loan Document, shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the expenses of the Bank incurred in connection with such performance or compliance, together with interest thereon at the highest rate provided for in respect of the Loans made under the Credit Agreement, shall be payable by the Grantors to the Bank on demand and shall constitute Obligations secured hereby.



Section 8. Events of Default. Each of the following shall constitute an Event of Default under this Security Agreement:

(a) Failure of the Borrowers to pay any Obligation to the Bank when the same shall become due and payable, whether at maturity, as a result of the Bank's demand for payment or otherwise, and the expiration of all grace periods with respect thereto; or

(b) Failure of any Grantor to perform or observe any covenant set forth herein and seven (7) days shall have elapsed after the Bank has provided written notice to such Grantor or the Borrower of such default, provided, however, that this requirement of notice and cure provided herein shall not apply to any of the covenants set forth in Section 5(f)(g)(i) and (n) hereof; or

(c) Discovery by the Bank that any representation or warranty made by any Grantor herein, or any statement or representation made in any certificate, report or opinion delivered pursuant hereto or in connection herewith was materially untrue or is breached in any material respect; or

(d) The occurrence of an Event of Default, under or with respect to the Credit Agreement, any Note, or any other Loan Document or agreement, document or instrument executed in connection with any existing or future Obligations, and the expiration of all applicable grace or cure periods with respect thereto.

Section 9. Remedies; Rights Upon Default.

(a) If an Event of Default shall occur and be continuing:

(i) All payments received by any Grantor under or in connection with any of the Collateral shall be held by such Grantor in trust for the Bank, shall be segregated from other funds of such Grantor and shall forthwith upon receipt by such Grantor, be turned over to the Bank, in the same form as received by such Grantor (duly indorsed by such Grantor to the Bank, if required); and

(ii) Any and all such payments so received by the Bank (whether from any Grantor or otherwise) may, in the sole discretion of the Bank, be held by the Bank as collateral security for, and/or then or at any time thereafter applied in whole or in part by the Bank, against all or any part of the Obligations in such order as the Bank shall elect. Any balance of such payments held by the Bank and remaining after payment in full of all the Obligations

shall be paid over to such Grantor or to whomsoever may be lawfully entitled to receive the same.

(b) If any Event of Default shall occur and be continuing, the Bank may exercise in addition to all other rights and remedies granted to it in this Security Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the Code.

(c) The Grantors hereby authorize the Bank to take whatever marketing activities deemed reasonable by the Bank to sell the Collateral and agree to cooperate with the Bank or its representative in such marketing efforts, including but not limited to entering into a marketing agreement for the sale or lease of the Collateral satisfactory to the Bank in its reasonable judgment.

(d) The Grantors also agree to pay all costs of the Bank, including reasonable attorneys' fees, incurred with respect to the collection of any of the Obligations and the enforcement of any of its rights hereunder.

(e) The Grantors hereby waive presentment, demand, protest or any notice (to the extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral, except as otherwise provided herein or in the Loan Documents.

(f) The Bank shall give the Grantors ten (10) days prior written notice of (i) any public sale and (ii) the date after which any private sale may be made, except as otherwise required by applicable law.

Section 10. Limitation on Bank's Duty in Respect of Collateral. Beyond the safe custody thereof, the Bank shall not have any duty as to any Collateral in its possession or control or in the possession or control of any agent or nominee of it or any income thereon or as to the preservation of rights against prior parties or any other rights pertaining thereto.

Section 11. Notices. All notices hereunder to any party hereto shall be delivered in the manner and according to the terms set forth in the Credit Agreement.

Section 12. Severability. Any provision of this Security Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not

invalidate or render unenforceable such provision in any other jurisdiction.

Section 13. No Waiver; Cumulative Remedies; Amendments. The Bank and each Grantor shall not by any act, delay, omission or otherwise be deemed to have waived any of its or their rights or remedies hereunder and no waiver shall be valid unless in writing, signed by the parties to be charged, and then only to the extent therein set forth. A waiver by the Bank or any Grantor of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which such party would otherwise have had on any future occasion. No failure to exercise nor any delay in exercising on the part of the Bank or any Grantor, any right, power or privilege hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or future exercise thereof or the exercise or any other right, power or privilege. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law. None of the provisions of this Security Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by the parties hereto.

Section 14. Successors and Assigns; Governing Law. This Security Agreement and all obligations of the Grantors hereunder shall be binding upon the successors and assigns of the Grantors. This Security Agreement shall be governed by, and be construed and interpreted in accordance with, the laws of the State of Tennessee except as may otherwise be required by applicable law.

Section 15. Counterparts. This Security Agreement may be signed in any number of counterparts with the same effect as if the signatures hereto and thereto were upon the same instrument.

Section 16. ARBITRATION.

(a) ANY CONTROVERSY OR CLAIM BETWEEN OR AMONG THE PARTIES HERETO INCLUDING, BUT NOT LIMITED TO, THOSE ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT, THE NOTES OR ANY LOAN DOCUMENT OR INSTRUMENTS, INCLUDING ANY CLAIM BASED ON OR ARISING FROM AN ALLEGED TORT, SHALL BE DETERMINED BY BINDING ARBITRATION IN ACCORDANCE WITH THE FEDERAL ARBITRATION ACT (OR IF NOT APPLICABLE, THE APPLICABLE STATE LAW, THE RULES OF PRACTICE AND PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OR JUDICIAL ARBITRATION AND MEDIATION SERVICES, INC. ("J.A.M.S.") AND THE "SPECIAL RULES" SET FORTH BELOW. IN THE EVENT OF ANY INCONSISTENCY, THE SPECIAL RULES SHALL CONTROL. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. ANY PARTY TO THIS SECURITY AGREEMENT MAY BRING AN ACTION, INCLUDING A SUMMARY OR EXPEDITED PROCEEDING, TO COMPEL

ARBITRATION OF ANY CONTROVERSY OR CLAIM TO WHICH THIS SECURITY AGREEMENT APPLIES IN ANY COURT HAVING JURISDICTION OVER SUCH ACTION.

(b) SPECIAL RULES. THE ARBITRATION SHALL BE CONDUCTED IN THE CITY OF THE INDIVIDUAL BORROWERS' DOMICILE AT THE TIME OF THIS SECURITY AGREEMENT'S EXECUTION AND ADMINISTERED BY J.A.M.S. WHO WILL APPOINT AN ARBITRATOR. IF J.A.M.S. IS UNABLE OR LEGALLY PRECLUDED FROM ADMINISTERING THE ARBITRATION, THEN THE AMERICAN ARBITRATION ASSOCIATION WILL SERVE. ALL ARBITRATION HEARINGS WILL BE COMMENCED WITHIN 90 DAYS OF THE DEMAND FOR ARBITRATION. FURTHER, THE ARBITRATOR SHALL ONLY, UPON A SHOWING OF CAUSE, BE PERMITTED TO EXTEND THE COMMENCEMENT OF SUCH HEARING FOR AN ADDITIONAL 60 DAYS.

(c) NOTHING IN THIS SECURITY AGREEMENT, THE NOTES OR ANY LOAN DOCUMENT SHALL BE DEEMED TO (i) LIMIT THE APPLICABILITY OF ANY OTHERWISE APPLICABLE STATUTES OF LIMITATION OR REPOSE AND ANY WAIVER CONTAINED IN THIS SECURITY AGREEMENT, THE NOTES OR ANY LOAN DOCUMENT OR (ii) BE A WAIVER BY THE BANK OF THE PROTECTION AFFORDED TO IT BY 12 U.S.C. §91 OR ANY SUBSTANTIALLY EQUIVALENT STATE LAW, OR (iii) LIMIT THE RIGHT OF THE BANK HERETO (A) TO EXERCISE SELF HELP REMEDIES SUCH AS (BUT NOT LIMITED TO) SETOFF, OR (B) TO FORECLOSURE AGAINST ANY REAL OR PERSONAL PROPERTY COLLATERAL, OR (C) TO OBTAIN FROM A COURT PROVISIONAL OR ANCILLARY REMEDIES SUCH AS (BUT NOT LIMITED TO) INJUNCTIVE RELIEF, WRIT OF POSSESSION OR THE APPOINTMENT OF A RECEIVER. THE BANK MAY EXERCISE SUCH SELF HELP RIGHTS, FORECLOSURE UPON SUCH PROPERTY, OR OBTAIN SUCH PROVISIONAL OR ANCILLARY REMEDIES BEFORE, DURING OR AFTER THE PENDENCY OF ANY ARBITRATION PROCEEDING BROUGHT PURSUANT TO THIS SECURITY AGREEMENT, THE NOTES OR ANY LOAN DOCUMENT. NEITHER THE EXERCISE OF SELF HELP REMEDIES NOR THE INSTITUTION OR MAINTENANCE OF AN ACTION FOR FORECLOSURE OR PROVISIONAL OR ANCILLARY REMEDIES SHALL CONSTITUTE A WAIVER OF THE RIGHT OF ANY PARTY, INCLUDING THE CLAIMANT IN SUCH ACTION, TO ARBITRATE THE MERITS OF THE CONTROVERSY OR CLAIM OCCASIONING RESORT TO SUCH REMEDIES.

Section 17. Conveyance by Live Oak . Notwithstanding anything to the contrary in this Security Agreement or any other Loan Document, the conveyance and pledge by Live Oak of Collateral hereunder shall be a conveyance and pledge of a security interest in all of Live Oak's rights, titles and interests in, to and under the Collateral solely as security for the 1995 Acquisition Note and all obligations of Live Oak under its Guaranty Agreement of even date herewith.

Section 18. Conflicting Terms. Except with respect to the terms of Section 17 herein, if any other term or provision of this Security Agreement conflicts with any term or provision of the Credit Agreement, such term or provision of the Credit

Agreement shall take precedence and be deemed to apply, except as such term or provision of the Credit Agreement may be limited by applicable law, in which case the terms and provisions of this Security Agreement in such instance shall be deemed to apply.


Section 19. Amendment and Restatement. This Security Agreement amends and restates the Amended and Restated Security Agreement dated as of September 24, 1996 by and among the Grantors and the Bank.

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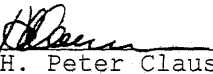
IN WITNESS WHEREOF, the Grantors and the Bank have caused this Security Agreement to be executed by their duly authorized officers as of the date first set forth above.

GRANTORS:

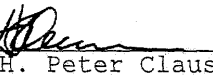
GULF & OHIO RAILWAYS, INC.

By:   
H. Peter Claussen  
Title: President

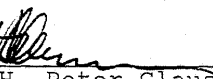
WIREGRASS CENTRAL RAILROAD  
COMPANY, INC.

By:   
H. Peter Claussen  
Title: President


PIEDMONT & ATLANTIC RAILROAD  
CO., INC.

By:   
H. Peter Claussen  
Title: President

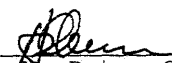
ROCKY MOUNT & WESTERN RAILROAD  
CO., INC.

By:   
H. Peter Claussen  
Title: President


ALBANY BRIDGE COMPANY, INC.

By:   
H. Peter Claussen  
Title: President


GEORGIA & FLORIDA RAILROAD  
CO., INC.

By:   
H. Peter Claussen  
Title: President

LIVE OAK, PERRY & GEORGIA  
RAILROAD COMPANY, INC.

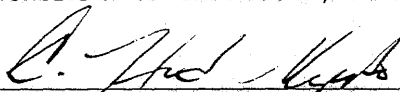
By:   
H. Peter Claussen  
Title: President

LEXINGTON & OHIO RAILROAD CO.,  
INC.

By:   
H. Peter Claussen  
Title: President

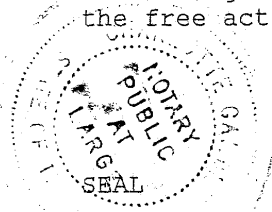
BANK:

NATIONSBANK OF TENNESSEE, N.A.

By:   
C. Howard Capito  
Title: Senior Vice President

STATE OF TENNESSEE )  
 ) ss.  
COUNTY OF KNOX )

On this 29<sup>th</sup> day of April, 1997 before me personally appeared H. Peter Claussen, to me personally known, who being by me duly sworn, says that he is President of Gulf & Ohio Railways, Inc., a Tennessee corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

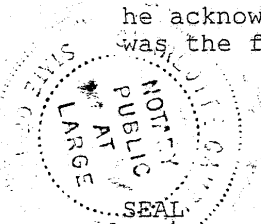


Charlotte Bonale  
Signature of Notary Public

My Commission Expires: My commission expires Nov. 29, 1997

STATE OF TENNESSEE )  
 ) ss.  
COUNTY OF KNOX )

On this 29<sup>th</sup> day of April, 1997 before me personally appeared H. Peter Claussen, to me personally known, who being by me duly sworn, says that he is President of Wiregrass Central Railroad Company, Inc., an Alabama corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



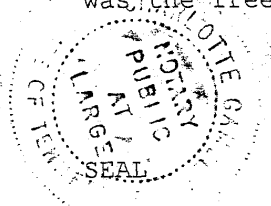
Charlotte Bonale  
Signature of Notary Public

My Commission Expires: My commission expires Nov. 29, 1997



STATE OF TENNESSEE     )  
                                      ) ss.  
COUNTY OF KNOX         )

On this 29<sup>th</sup> day of April, 1997 before me personally appeared H. Peter Claussen, to me personally known, who being by me duly sworn, says that he is President of Piedmont & Atlantic Railroad Co., Inc., a Tennessee corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

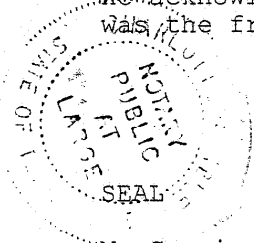


Charlotte Gonzales  
Signature of Notary Public

My Commission Expires: My commission expires Nov. 29, 1997

STATE OF TENNESSEE     )  
                                      ) ss.  
COUNTY OF KNOX         )

On this 29<sup>th</sup> day of April, 1997 before me personally appeared H. Peter Claussen, to me personally known, who being by me duly sworn, says that he is President of Rocky Mount & Western Railroad Co., Inc., a Tennessee corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Charlotte Gonzales  
Signature of Notary Public

My Commission Expires: My commission expires Nov. 29, 1997

STATE OF TENNESSEE     )  
                                      ) ss.  
COUNTY OF KNOX         )

On this 29<sup>th</sup> day of April, 1997 before me personally appeared H. Peter Claussen, to me personally known, who being by me duly sworn, says that he is President of Georgia & Florida Railroad Co., Inc., a Georgia corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

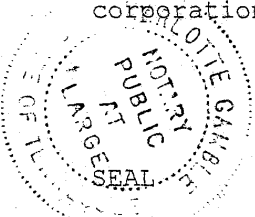


Charlotte Gamble  
Signature of Notary Public

My Commission Expires: My commission expires Nov. 29, 1997

STATE OF TENNESSEE     )  
                                      ) ss.  
COUNTY OF KNOX         )

On this 29<sup>th</sup> day of April, 1997 before me personally appeared H. Peter Claussen, to me personally known, who being by me duly sworn, says that he is President of Live Oak, Perry & Georgia Railroad Company, Inc., a Tennessee corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

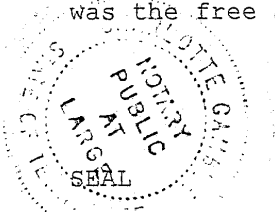


Charlotte Gamble  
Signature of Notary Public

My Commission Expires: My commission expires Nov. 29, 1997

STATE OF TENNESSEE   )  
                                  ) ss.  
COUNTY OF KNOX        )

On this 29<sup>th</sup> day of April, 1997 before me personally appeared H. Peter Claussen, to me personally known, who being by me duly sworn, says that he is President of Lexington & Ohio Railroad Co., Inc., a Tennessee corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

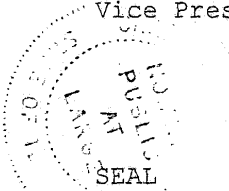


Charlotte Gonzalez  
Signature of Notary Public

My Commission Expires: My commission expires Nov. 29, 1997

STATE OF TENNESSEE   )  
                                  ) ss.  
COUNTY OF KNOX        )

On this 29<sup>th</sup> day of April, 1997 before me personally appeared C. Howard Capito, to me personally known, who being by me duly sworn, says that he is the Senior Vice President of NationsBank of Tennessee, N.A., a national banking association organized under the laws of the United States, and that he as such Senior Vice President, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by personally signing the name of the Bank by himself as such Senior Vice President.



Charlotte Gonzalez  
Signature of Notary Public

My Commission Expires: My commission expires Nov. 29, 1997

EXHIBIT A  
[Boxcars and Locomotives except BankFirst Cars]

A. Locomotives

<u>Loco Number</u>	<u>Rebuilder</u>	<u>Existing Owner</u>	<u>EMD Serial Number</u>	<u>Type</u>
(1) 8047	ICG	MSDR	19382	GP-10
(2) 8056	ICG	WGCR	19898	GP-10
(3) 8068	ICG	AGLF	20147	GP-10
(4) 8090	ICG	AGLF	20757	GP-10
(5) 8104	ICG	AGLF	20283	GP-10
(6) 8311	ICG	AGLF	19231	GP-10
(7) 8314	ICG	AGLF	19264	GP-10
(8) 8395	ICG	AGLF	20840	GP-10
(9) 7720	ICG	AGLF	15851	GP-8
(10) 7738	ICG	MSDR	18410	GP-8
(11) 7913	ICG	AGLF	18419	GP-8
(12) 3832	SP	WGCR	N/A	GP-9R
(13) 3872	SP	WGCR	N/A	GP-9R
(14) 110	MKT	WGCR	N/A	GP-7R
(15) 121	MKT	WGCR	N/A	GP-7R
(16) 2391	-	WGCR	N/A	GP-9
(17) 6226	-	WGCR	N/A	GP-9
(18) 2876	-	WGCR	N/A	GP-9
(19) 1026	-	WGCR	N/A	GP-7
(20) 201	-	YVRR	17048	GP-7
(21) 202	-	YVRR	17039	GP-7
(22) 203	-	YVRR	18051	GP-7
(23) 204	-	YVRR	22930	GP-9
(24) 205	-	YVRR	20344	GP-9
(25) 206	-	YVRR	22781	GP-9
(26) 207	-	YVRR	24825	GP-9
(27) 208	-	YVRR	24848	GP-9
(28) 115 or 119		RMWR	N/A	SW-1
New				
(29) 8274	ICG	GFRR	19764	GP-10
(30) 8136	ICG	GFRR	23858	GP-10
(31) 8302	ICG	GFRR	19213	GP-10
(32) 8331	ICG	GFRR	23855	GP-10
(33) 8265	ICG	GFRR	22336	GP-10
(34) 8006	ICG	GFRR	20794	GP-10
(35) 8067	ICG	GFRR	22328	GP-10
(36) 8050	ICG	GFRR	25026	GP-10
(37) 8092	ICG	GFRR		GP-10
(38) 8220	ICG	GFRR		GP-10

B. Boxcars/Hopper Cars/Other Railcars

1. MSDR 1000, 1001 and 1002; 50 ft., 70 ton boxcars; AAR type B314.
2. MSDR 12076; 12244; 12350; 12384; all 50 ft., 70 ton boxcars; AAR type A332.
3. MSDR 55412; 50 ft., 70 ton boxcar; AAR type A332.
4. MSDR 560000; 560145; 560391; 560394; 560485; 560511; 560714; 560733; 562354; 562598; 562918; 50 ft., 70 ton boxcars, AAR type A332.
5. MSDR 764470, 764471 and 764472; 4750 cu. ft. covered hoppers; AAR type C113.
6. AGLF 500 and 501, 4750 cu. ft. covered hoppers; AAR type C113.

SEE ADDITIONAL EXHIBIT A ATTACHMENTS

EXHIBIT A

GULF AND OHIO RAILWAYS Knoxville, Tennessee		Date:	12-Dec-95				
LOCOMOTIVES (1)							
<--Present G&O ID-->		<--Manufacturer-->		<--Acquisition Information-->		Collateral Summary 1995 Acquisition Loan	
Corp Owner Initials	Road #	Model #	Serial #	Date Built or ReBuilt	1st Class I	From	Date
1							
2							
3							
4							
5							
6							
SUB-TOTAL		Number of Units:					
EQUIPMENT							
<--Present G&O ID-->		<--Manufacturer-->		<--Acquisition Information-->		Values	
Corp Owner Initials	Road #	ARR Type	Serial # (2)	Date Built or ReBuilt	Class I	Road #	Date
1	(3)	K140	See Schedule A				
2	(3)						
3	(3)						
SUB-TOTAL		Number of Units:				875,000 930,000	
GRAND TOTAL		Number of Units:		70		875,000 930,000 0.00% \$0	
70 1995 ACQUISITION LOAN							
1) Data for each locomotive							
2) Steel stencil number, if available, from car body							
3) Attach schedule of serial numbers/road numbers by car type							
4) Bill of Sale Amount							
DATE:							

H. Peter Claussen, Dorrrower  
President, Gulf & Ohio Railways

## EXHIBIT A

## GULF AND OHIO RAILWAYS

Schedule A

Knoxville, Tennessee

Date: 12-Dec-95

Collateral Summary

Covered Hoppers

1995 Acquisition Loan

## EQUIPMENT

<- Present G&O ID ->			<- Manufacturer ->		Date	<- Acquisition Information ->				<- Values ->		
Corp	Road	Road	<- Date ->		Built or	Road	(2)			Advance	Unit	
Owner Initials	#	AAR Type	Serial # (1)	ReBuilt	Class I	#	Date	Cost	Appraisal	Pro Rata	Loan S	
1	GFFR		K140		SCU	131952	08-Dec-95	12,500	13,400			
2	GFFR		K140		SCU	131953	08-Dec-95	12,500	13,400			
3	GFFR		K140		SCU	131955	08-Dec-95	12,500	13,400			
4	GFFR		K140		SCU	131960	08-Dec-95	12,500	13,400			
5	GFFR		K140		SCU	131972	08-Dec-95	12,500	13,400			
6	GFFR		K140		SCU	131977	08-Dec-95	12,500	13,400			
7	GFFR		K140		SCU	131922	08-Dec-95	12,500	13,400			
8	GFFR		K140		SCU	131956	08-Dec-95	12,500	13,400			
9	GFFR		K140		SCU	131956	08-Dec-95	12,500	13,400			
10	GFFR		K140		SCU	131959	08-Dec-95	12,500	13,400			
11	GFFR		K140		SCU	131975	08-Dec-95	12,500	13,400			
12	GFFR		K140		SCU	131982	08-Dec-95	12,500	13,400			
13	GFFR		K140		SCU	131983	08-Dec-95	12,500	13,400			
14	GFFR		K140		SCU	132500	08-Dec-95	12,500	13,400			
15	GFFR		K140		SCU	132501	08-Dec-95	12,500	13,400			
16	GFFR		K140		SCU	132504	08-Dec-95	12,500	13,400			
17	GFFR		K140		SCU	132508	08-Dec-95	12,500	13,400			
18	GFFR		K140		SCU	132509	08-Dec-95	12,500	13,400			
19	GFFR		K140		SCU	132512	08-Dec-95	12,500	13,400			
20	GFFR		K140		SCU	132514	08-Dec-95	12,500	13,400			
21	GFFR		K140		SCU	132515	08-Dec-95	12,500	13,400			
22	GFFR		K140		SCU	132516	08-Dec-95	12,500	13,400			
23	GFFR		K140		SCU	132517	08-Dec-95	12,500	13,400			
24	GFFR		K140		SCU	132518	08-Dec-95	12,500	13,400			
25	GFFR		K140		SCU	132519	08-Dec-95	12,500	13,400			
26	GFFR		K140		SCU	132521	08-Dec-95	12,500	13,400			
27	GFFR		K140		SCU	132522	08-Dec-95	12,500	13,400			
28	GFFR		K140		SCU	132523	08-Dec-95	12,500	13,400			
29	GFFR		K140		SCU	132524	08-Dec-95	12,500	13,400			
30	GFFR		K140		SCU	132525	08-Dec-95	12,500	13,400			
31	GFFR		K140		SCU	132526	08-Dec-95	12,500	13,400			
32	GFFR		K140		SCU	132527	08-Dec-95	12,500	13,400			
33	GFFR		K140		SCU	132528	08-Dec-95	12,500	13,400			
34	GFFR		K140		SCU	132529	08-Dec-95	12,500	13,400			
35	GFFR		K140		SCU	132531	08-Dec-95	12,500	13,400			

## EXHIBIT A

EQUIPMENT												
<--Present G&O ID-->			<---Manufacturer--->		Date Built or Rebuilt	<---Acquisition Information--->				<---Values--->		
Corp	Road	Road	<---Data--->			Road	(2)		Appraisal	Advance ProFeta	Unit Loans	
Owner	Initials	#	AAR Type	Serial # (1)		Class 1	#	Date				Cost
36	GFRR		K140			SCU	132532	08-Dec-95	12,500	13,400		
37	GFRR		K140			SCU	132533	08-Dec-95	12,500	13,400		
38	GFRR		K140			SCU	132534	08-Dec-95	12,500	13,400		
39	GFRR		K140			SCU	132535	08-Dec-95	12,500	13,400		
40	GFRR		K140			SCU	132536	08-Dec-95	12,500	13,400		
41	GFRR		K140			SCU	132537	08-Dec-95	12,500	13,400		
42	GFRR		K140			SCU	132538	08-Dec-95	12,500	13,400		
43	GFRR		K140			SCU	132539	08-Dec-95	12,500	13,400		
44	GFRR		K140			SCU	132540	08-Dec-95	12,500	13,400		
45	GFRR		K140			SCU	132541	08-Dec-95	12,500	13,400		
46	GFRR		K140			SCU	132542	08-Dec-95	12,500	13,400		
47	GFRR		K140			SCU	132543	08-Dec-95	12,500	13,400		
48	GFRR		K140			SCU	132502	08-Dec-95	12,500	13,400		
49	GFRR		K140			SCU	132503	08-Dec-95	12,500	13,400		
50	GFRR		K140			SCU	132505	08-Dec-95	12,500	13,400		
51	GFRR		K140			SCU	132506	08-Dec-95	12,500	13,400		
52	GFRR		K140			SCU	132507	08-Dec-95	12,500	13,400		
53	GFRR		K140			SCU	132511	08-Dec-95	12,500	13,400		
54	GFRR		K140			CG	162	08-Dec-95	12,500	13,400		
55	GFRR		K140			CG	166	08-Dec-95	12,500	13,400		
56	GFRR		K140			CG	167	08-Dec-95	12,500	13,400		
57	GFRR		K140			CG	171	08-Dec-95	12,500	13,400		
58	GFRR		K140			CG		08-Dec-95	12,500	13,400		
59	GFRR		K140			CG	187	08-Dec-95	12,500	13,400		
60	GFRR		K140			CG	188	08-Dec-95	12,500	13,400		
61	GFRR		K140			CG	199	08-Dec-95	12,500	13,400		
62	GFRR		K140			CG	200	08-Dec-95	12,500	13,400		
63	GFRR		K140			CG	236	08-Dec-95	12,500	13,400		
64	GFRR		K140			CG	239	08-Dec-95	12,500	13,400		
65	GFRR		K140			CG	241	08-Dec-95	12,500	13,400		
66	GFRR		K140			CG	245	08-Dec-95	12,500	13,400		
67	GFRR		K140			NS	199830	08-Dec-95	12,500	13,400		
68	GFRR		K140			NS	199831	08-Dec-95	12,500	13,400		
69	GFRR		K140			NS	199832	08-Dec-95	12,500	13,400		
70	GFRR		K140			NS	199841	08-Dec-95	12,500	13,400		

GRAND TOTAL      Number of Units:      70 1995 ACQUISITION LOAN

1 Steel stencil number, if available, from car body  
2 Bill of Sale Amount

DATE:  
File Name: EQP65A



EXHIBIT E  
Revenue Equipment Roster & Status Report

Unit #	<--Gulf & Ohio-->		<--Genealogy-->		Steel Stencil # (2)	AAR Car Type	<--Acquisition Data-->			<--Appraisal Information-->			Operational Status		<--Security Interest Information-->		
	Road	Number	Road	Former(1)-->			Date	Cost	Value @ FMV	Firm	Date	R U L (Years)			Date Filed	ICC/STB File #	S/A Date
1	GFRR	584918	SOU	584918	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
2	GFRR	584938	SOU	584938	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
3	GFRR	585200	SOU	585200	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
4	GFRR	585210	SOU	585210	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
5	GFRR	585213	SOU	585213	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
6	GFRR	585245	SOU	585245	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
7	GFRR	585249	SOU	585249	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
8	GFRR	585262	SOU	585262	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
9	GFRR	585265	SOU	585265	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
10	GFRR	585268	SOU	585268	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
11	GFRR	585268	SOU	585268	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
12	GFRR	585289	SOU	585289	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
13	GFRR	585304	SOU	585304	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
14	GFRR	585306	SOU	585306	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
15	GFRR	585317	SOU	585317	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
16	GFRR	585324	SOU	585324	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
17	GFRR	585328	SOU	585328	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
18	GFRR	585342	SOU	585342	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
19	GFRR	585343	SOU	585343	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
20	GFRR	585351	SOU	585351	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
21	GFRR	585358	SOU	585358	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
22	GFRR	585367	SOU	585367	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
23	GFRR	585370	SOU	585370	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
24	GFRR	585377	SOU	585377	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
25	GFRR	585387	SOU	585387	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
26	GFRR	585390	SOU	585390	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
27	GFRR	585391	SOU	585391	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
28	GFRR	585394	SOU	585394	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
29	GFRR	585414	SOU	585414	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
30	GFRR	585417	SOU	585417	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
31	GFRR	585427	SOU	585427	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
32	GFRR	585430	SOU	585430	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
33	GFRR	585433	SOU	585433	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
34	GFRR	585440	SOU	585440	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				
35	GFRR	585472	SOU	585472	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A				

RLB = R.L. Banks

HOULF & OHIO RAILWAYS GROUP  
Georgia & Florida Railroad  
Covington, Tennessee

EXHIBIT E  
Revenue Equipment Roster & Status Report

Date of Report: 12/4/96  
1996 Equipment Loan

Unit #	← Gulf & Ohio →		← Genealogy →		Steel Stencil # (2)	AAR Car Type	← Acquisition Data →		← Appraisal Information →		Operational Status 12/31/95	← Security Interest Information →	
	Road	Number	Road	Former (1) →			Date	Cost	FMV	Firm		Date Filed	ICC/STB File #
36	GFRR	585474	SOU	585474		A-416	9/24/96	15,800	19,000	RLB*	N/A		
37	GFRR	585491	SOU	585491		A-416	9/24/96	15,800	19,000	RLB*	N/A		
38	GFRR	585492	SOU	585492		A-416	9/24/96	15,800	18,000	RLB*	N/A		
39	GFRR	585501	SOU	585501		A-416	9/24/96	15,800	19,000	RLB*	N/A		
40	GFRR	585503	SOU	585503		A-416	9/24/96	15,800	19,000	RLB*	N/A		
41	GFRR	585515	SOU	585515		A-416	9/24/96	15,800	19,000	RLB*	N/A		
42	GFRR	585531	SOU	585531		A-416	9/24/96	15,800	19,000	RLB*	N/A		
43	GFRR	585533	SOU	585533		A-416	9/24/96	15,800	19,000	RLB*	N/A		
44	GFRR	585535	SOU	585535		A-416	9/24/96	15,800	19,000	RLB*	N/A		
45	GFRR	585558	SOU	585558		A-416	9/24/96	15,800	19,000	RLB*	N/A		
46	GFRR	585580	SOU	585580		A-416	9/24/96	15,800	19,000	RLB*	N/A		
47	GFRR	585590	SOU	585590		A-416	9/24/96	15,800	19,000	RLB*	N/A		
48	GFRR	585598	SOU	585598		A-416	9/24/96	15,800	19,000	RLB*	N/A		
49	GFRR	585601	SOU	585601		A-416	9/24/96	15,800	19,000	RLB*	N/A		
50	GFRR	585608	SOU	585608		A-416	9/24/96	15,800	19,000	RLB*	N/A		
51	GFRR	585609	SOU	585609		A-416	9/24/96	15,800	19,000	RLB*	N/A		
52	GFRR	585611	SOU	585611		A-416	9/24/96	15,800	19,000	RLB*	N/A		
53	GFRR	585613	SOU	585613		A-416	9/24/96	15,800	19,000	RLB*	N/A		
54	GFRR	585626	SOU	585626		A-416	9/24/96	15,800	19,000	RLB*	N/A		
55	GFRR	585628	SOU	585628		A-416	9/24/96	15,800	18,000	RLB*	N/A		
56	GFRR	585630	SOU	585630		A-416	9/24/96	15,800	19,000	RLB*	N/A		
57	GFRR	585644	SOU	585644		A-416	9/24/96	15,800	19,000	RLB*	N/A		
58	GFRR	585645	SOU	585645		A-416	9/24/96	15,800	18,000	RLB*	N/A		
59	GFRR	585647	SOU	585647		A-416	9/24/96	15,800	19,000	RLB*	N/A		
60	GFRR	585648	SOU	585648		A-416	9/24/96	15,800	19,000	RLB*	N/A		
61	GFRR	585654	SOU	585654		A-416	9/24/96	15,800	19,000	RLB*	N/A		
62	GFRR	585661	SOU	585661		A-416	9/24/96	15,800	19,000	RLB*	N/A		
63	GFRR	585664	SOU	585664		A-416	9/24/96	15,800	19,000	RLB*	N/A		
64	GFRR	585667	SOU	585667		A-416	9/24/96	15,800	19,000	RLB*	N/A		
65	GFRR	585668	SOU	585668		A-416	9/24/96	15,800	19,000	RLB*	N/A		
66	GFRR	585671	SOU	585671		A-416	9/24/96	15,800	19,000	RLB*	N/A		
67	GFRR	585677	SOU	585677		A-416	9/24/96	15,800	18,000	RLB*	N/A		
68	GFRR	585683	SOU	585683		A-416	9/24/96	15,800	19,000	RLB*	N/A		
69	GFRR	585688	SOU	585688		A-416	9/24/96	15,800	19,000	RLB*	N/A		
70	GFRR	585688	SOU	585688		A-416	9/24/96	15,800	19,000	RLB*	N/A		

\*RLB = R.L. Banks

ULF & OHIO RAILWAYS GROUP  
Georgia & Florida Railroad  
Knoxville, Tennessee

12/4/96

Date of Report:

1996 Equipment Loan

EXHIBIT E  
Revenue Equipment Roster & Status Report

Unit #	<-Gull & Ohio-->		<-Genesee-->		Steel Stencil # (2)	AAR Car Type	<-Acquisition Data-->		<-Appraisal Information-->		Operational Status	<-Security Interest Information-->	
	Road	Number	Road	Former (1)			Date	Cost	Value @ FMV	Firm	Date	Filed	ICC/STB File #
71	GFRR	585694	SOU	585694	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
72	GFRR	585696	SOU	585696	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
73	GFRR	585700	SOU	585700	A-416	A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
74	GFRR	585703	SOU	585703	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
75	GFRR	585708	SOU	585708	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
76	GFRR	585709	SOU	585709	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
77	GFRR	585714	SOU	585714	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
78	GFRR	585715	SOU	585715	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
79	GFRR	585723	SOU	585723	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
80	GFRR	585725	SOU	585725	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
81	GFRR	585737	SOU	585737	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
82	GFRR	585743	SOU	585743	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
83	GFRR	585744	SOU	585744	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
84	GFRR	585745	SOU	585745	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
85	GFRR	585746	SOU	585746	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
86	GFRR	585751	SOU	585751	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
87	GFRR	585759	SOU	585759	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
88	GFRR	585763	SOU	585763	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
89	GFRR	585764	SOU	585764	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
90	GFRR	585765	SOU	585765	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
91	GFRR	585775	SOU	585775	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
92	GFRR	585788	SOU	585788	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
93	GFRR	585798	SOU	585798	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
94	GFRR	585814	SOU	585814	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
95	GFRR	585837	SOU	585837	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
96	GFRR	585856	SOU	585856	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
97	GFRR	585861	SOU	585861	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
98	GFRR	585863	SOU	585863	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
99	GFRR	585872	SOU	585872	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
100	GFRR	585895	SOU	585895	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
101	GFRR	585903	SOU	585903	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
102	GFRR	585905	SOU	585905	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
103	GFRR	585907	SOU	585907	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
104	GFRR	585908	SOU	585908	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A
105	GFRR	585912	SOU	585912	R-410	R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs	N/A

\* RLB = R.L. Banks

EXHIBIT A

GULF & OHIO RAILWAYS GROUP  
Georgia & Florida Railroad  
Knoxville, Tennessee

Date of Report: 12/4/96

1996 Equipment Loan

EXHIBIT E  
Revenue Equipment Roster & Status Report

Unit #	← Gulf & Ohio →		← Genealogy →		Steel Stencil # (2)	AAR Car Type	← Acquisition Data →		← Appraisal Information →		← Security Interest Information →	
	← Stenciled → Road	Number	← Former (1) → Road	#			Date	Cost	Value @ FMV	Firm	Date	Filed
106	GFRR	585914	SOU	585914		R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
107	GFRR	585915	SOU	585915		R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
108	GFRR	585918	SOU	585918		R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
109	GFRR	585264	SOU	585264		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
110	GFRR	585401	SOU	585401		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
111	GFRR	585232	SOU	585232		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
112	GFRR	585823	SOU	585823		R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
113	GFRR	584939	SOU	584939		R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
114	GFRR	585340	SOU	585340		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
115	GFRR	585862	SOU	585862		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
116	GFRR	584955	SOU	584955		R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
117	GFRR	585348	SOU	585348		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
118	GFRR	585319	SOU	585319		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
119	GFRR	585375	SOU	585375		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
120	GFRR	585290	SOU	585290		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
121	GFRR	585748	SOU	585748		R-410	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
122	GFRR	585910	SOU	585910		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
123	GFRR	585553	SOU	585553		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
124	GFRR	585223	SOU	585223		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
125	GFRR	584871	SOU	584871		A-416	9/24/96	15,800	19,000	RLB*	8/26/96	15-17 yrs
								1,975,000	2,375,000			

(1) Seller to G&O (NS, IC, CSXT, etc)

(2) If available

Attest:

Date:

Title:

RLB = R.L. Banks

GULF AND OHIO RAILWAYS GROUP  
Gulf & Ohio Railways, Inc.  
Knoxville, Tennessee

Date: 23-Apr-97

Collateral Summary

1997 Equipment Loan

LOCOMOTIVES (1)

	<---Present G&O ID---			<---Manufacturer---			<---Acquisition Information---			Values-----			<---Security Agreement---		
	Corp	Road	Road	Model #	Serial # (2)	Date	Class	From	Date	Value	Basis	Appraiser	Date Filed	STB File #	NOTES
1	GORR	AGLF	2313	SW1500			NS	NS		180,000	Acq Cost (4)	N/A			
2	GORR	AGLF	2318	SW1500			NS	NS		180,000	Acq Cost (4)	N/A			
3	GORR	AGLF	9525	SW1500			CR	HELM	02-Apr-97	162,500	Acq Cost (4)	N/A			
4	GORR	AGLF	9528	SW1500			CR	HELM	02-Apr-97	162,500	Acq Cost (4)	N/A			
5	GORR	AGLF	9573	SW1500			CR	HELM	02-Apr-97	162,500	Acq Cost (4)	N/A			
6	GORR	AGLF	0345	GP-38			CR	CR	(5)	139,000	Acq Cost (4)	N/A			1996 EQUIP
SUB-TOTAL										847,500					

EQUIPMENT (1)

	<---Present G&O ID---			<---Manufacturer---			<---Acquisition Information---			Values-----			<---Security Agreement---		
	Corp	Road	Road	AAR Type	Serial # (2)	Date	Class	Road	#	Value	Basis	Appraiser	Date Filed	STB File #	NOTES
1	GFRR	GFRR	585325	XPI			SOU	585325		14,800	Acq Cost (4)	N/A			
2	GFRR	GFRR	585372	XPI			SOU	585372		14,800	Acq Cost (4)	N/A			
3	GFRR	GFRR	585405	XPI			SOU	585405		14,800	Acq Cost (4)	N/A			
4	GFRR	GFRR	585434	XPI			SOU	585434		14,800	Acq Cost (4)	N/A			
5	GFRR	GFRR	585477	XPI			SOU	585477		14,800	Acq Cost (4)	N/A			
6	GFRR	GFRR	585536	XPI			SOU	585536		14,800	Acq Cost (4)	N/A			
7	GFRR	GFRR	585804	XPI			SOU	585804		14,800	Acq Cost (4)	N/A			
8	GFRR	GFRR	585899	XPI			SOU	585899		14,800	Acq Cost (4)	N/A			
9	GFRR	GFRR	585909	XPI			SOU	585909		14,800	Acq Cost (4)	N/A			
10	GFRR	GFRR	585919	XPI			SOU	585919		14,800	Acq Cost (4)	N/A			
11	GFRR	GFRR	585152	XPI			SOU	585152		3,000	Acq Cost (4)	N/A			Parts Only
12	GFRR	GFRR	585812	XPI			SOU	585812		3,000	Acq Cost (4)	N/A			Parts Only
13	GFRR	GFRR	284000	XPI			NW	284000		3,000	Acq Cost (4)	N/A			Parts Only
14	GFRR	GFRR	783413	XPI			NW	783413		3,000	Acq Cost (4)	N/A			Parts Only
SUB-TOTAL										160,000					
GRAND TOTAL										1,007,500					\$0

1) Data for each locomotive and item of rolling stock

2) Manufacturer's Serial Number for Locomotives or Steel stencil number, if available, from car body

3) Attach purchase contracts, bills of sale and sellers' lien releases, if available

4) Bill of Sale Amount

5) Locomotive number 6 acquired with proceeds of 1996 Equipment Loan

Exhibit B

H. Peter Claussen, Guarantor  
President, Gulf & Ohio Railways, Inc.

EXHIBIT B

List of Grantors' Principal Places of Business and Chief Executive Offices:

Principal Places of Business

Wiregrass Central Railroad  
812 North Main Street  
Enterprise, Alabama 36330

Gulf & Ohio Railways, Inc., d/b/a  
Atlantic and Gulf Railroad  
1019 Coastline Avenue  
Albany, Georgia 31706

Gulf & Ohio Railways, Inc., d/b/a  
Mississippi Delta Railroad  
421 Fourth street  
Clarksdale, Mississippi 38614

Albany Bridge Company  
1019 Coastline Avenue  
Albany, Georgia 31105

Rocky Mount & Western Railroad Co., Inc.  
Depot Building, Main Street  
Spring Hope, North Carolina 27882

Piedmont & Atlantic Railroad Co., Inc.  
8301 Second Street  
Rural Hall, North Carolina 27045

Georgia & Florida Railroad Co., Inc.  
1019 Coastline Avenue  
Albany, Georgia 31706  
Employer ID No. 58-2168994

Live Oak, Perry & Georgia Railroad Company, Inc.  
1019 Coastline Avenue  
Albany, Georgia 31705

Lexington & Ohio Railroad Co., Inc.  
433-C Lexington Road  
Versailles, Kentucky 40383

Gulf & Ohio Railways, Inc.  
401 Henley Street, Suite 5  
Knoxville, Tennessee 37902

Chief Executive Offices

For all above:

401 Henley Street, Suite 5  
Knoxville, Tennessee 37902

EXHIBIT C

Names of Grantors under which Collateral is Owned, Used or Sold

- (A) Albany Bridge Company
- (B) Albany Bridge Company, Inc.
- (C) Atlantic & Gulf Railroad
- (D) Wiregrass Central Railroad
- (E) Wiregrass Central Railroad Company, Inc.
- (F) Mississippi Delta Railroad
- (G) Gulf & Ohio Railways, Inc.
- (H) Nash County Railroad
- (I) Yadkin Valley Railroad
- (J) Piedmont & Atlantic Railroad Co., Inc.
- (K) Rocky Mount & Western Railroad Co., Inc.
- (L) Georgia & Florida Railroad Co., Inc.
- (M) Live Oak, Perry & Georgia Railroad Company, Inc.
- (N) Lexington & Ohio Railroad Co., Inc.
- (O) Gulf & Ohio Railways, Inc., d/b/a Atlantic & Gulf Railroad
- (P) Gulf & Ohio Railways, Inc., d/b/a Mississippi Delta Railroad